



**DEPARTMENT OF FISH AND GAME**

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December 5, 2005

Ms. Magalie R. Salas, Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE, Room 1A  
Washington, DC 20426

Dr. Robert Kanter, Ph.D.  
Planning Division  
925 Harbor Plaza  
Port of Long Beach  
Long Beach, CA 90802

Re: OEP/DG2E/Gas Branch1  
Long Beach LNG Import Project  
FERC Docket No. CP04-58-000, et al.  
POLB Application No. HDP 03-079  
SCH No. 2003091130

Comments on the Long Beach Liquefied Natural Gas (LNG) Project Draft  
Environmental Impact Statement/Environmental Impact Report  
(DEIS/DEIR)

Dear Ms. Salas and Dr. Kanter:

The Department of Fish and Game (Department) has reviewed the Long Beach LNG Project DEIS/DEIR as proposed by Sound Energy Solutions (SES) and prepared jointly by the environmental staffs of the Federal Energy Regulatory Commission (FERC or Commission) and the Port of Long Beach (POLB). The DEIS/DEIR was prepared to satisfy the requirements of the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

On January 26, 2004, SES filed an application with the FERC, under Section 3 of the Natural Gas Act (NGA) and Part 153 of the Commission's regulations, seeking authorization to site, construct, and operate a LNG receiving terminal and associated facilities in the POLB in Long Beach, California for the importation of LNG. The FERC is the federal agency responsible for authorizing sites for onshore LNG import facilities. As such, the FERC is the lead federal agency for the preparation of the EIS.

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The Board of Harbor Commissioners (BHC) has authority over the City's Harbor District, commonly known as the POLB or Port. The City of Long Beach owns the land within the Harbor District in trust for the people of the State of California. On July 25, 2003, SES submitted an application to the POLB for a Harbor Development Permit, seeking approval for a development project within the Port and to obtain a lease from the City of Long Beach to build and operate its proposed Long Beach LNG Import Project. The application was designated POLB Application No. HDP 03-079. The POLB is the lead agency in California for preparing the EIR. The BHC will use the document to determine the project's consistency with the certified Port Master Plan (PMP) and the California Coastal Act of 1976, as well as to consider the environmental impact that could result if it issues Harbor Development Permits for the project.

The U.S. Army Corps of Engineers (ACOE) and the U.S. Coast Guard (Coast Guard) within the U.S. Department of Homeland Security are participating as cooperating agencies in the preparation of the DEIS/DEIR.

The Pipeline and Hazardous Materials Safety Administration (PHMSA) within the U.S. Department of Transportation has authority to promulgate and enforce safety regulations and standards for the transportation and storage of LNG in or affecting interstate or foreign commerce under the pipeline safety laws (49 USC Chapter 601). The PHMSA is participating in the NEPA analysis under the terms of an interagency agreement between the PHMSA, the FERC, and the Coast Guard.

### **Proposed Action**

SES proposes to ship natural gas that has been cooled to a temperature of about -260 degrees Fahrenheit so that it becomes a liquid, from a variety of Asian and other foreign sources to provide a new, stable source of natural gas to serve the needs of southern California. The LNG would be unloaded from the ships, stored in tanks at the terminal, and then re-gasified (vaporized) and transported via a new 2.3-mile-long, 36-inch-diameter natural gas pipeline to Southern California Gas Company's (SoCal Gas) existing Line 765. A portion of the LNG would be distributed via trailer trucks to LNG vehicle fueling stations throughout southern California to fuel LNG-powered vehicles.

SES' proposed facilities would provide up to 1 billion standard cubic feet of natural gas per day to southern California, supply up to 150,000 gallons of LNG vehicle fuel per day, and provide storage of up to 320,000 cubic meters of imported LNG to reduce fluctuations in the local natural gas supply. In order to provide LNG import, storage, and pipeline transportation services, SES requests

authorization to construct, install, and operate an LNG import terminal and natural gas pipeline facilities.

The DEIS/DEIR addresses the potential environmental effects of the proposed project, including construction and operation of the following LNG terminal and natural gas pipeline facilities:

- a 1,100-foot-long LNG ship berth and unloading facility with unloading arms, mooring and breasting dolphins, and a fendering system;
- two LNG storage tanks, each with a gross volume of 160,000 cubic meters (1,006,000 barrels) surrounded by a security barrier wall;
- 20 electric-powered booster pumps;
- four shell and tube vaporizers using a primary, closed-loop water system;
- three boil-off gas compressors, a condensing system, an NGL recovery system, and an export C2 heater;
- an LNG trailer truck loading facility with a small LNG storage tank;
- a natural gas meter station and odorization system;
- utilities, buildings, and service facilities; and
- associated hazard detection, control, and prevention systems; site security facilities; cryogenic piping; and insulation, electrical, and instrumentation systems.

The pipeline facilities would include:

- a 2.3-mile-long, 36-inch-diameter pipeline and associated above-ground facilities to transport natural gas from the LNG terminal to the existing SoCal Gas system; and
- a 4.6-mile-long, 10-inch-diameter pipeline and associated above-ground facilities to transport vaporized C2 from the LNG terminal to the existing ConocoPhillips LARC.

## **Department's Role**

The California agencies involved in permitting or approving a proposed LNG facility in California have formed the LNG Permitting Interagency Working Group. The Department is a member of that group. The Working Group has met since 2003 to develop and disseminate information on LNG issues, to identify key issues of concern to the state, and to understand each group member's respective role and concerns regarding the construction and operation of LNG facilities in California. While other members of the Working Group will be submitting individual comments reflecting their agency's particular role, all members of the Working Group wanted to underscore the importance of close communication and early and extensive cooperation among federal and state agencies, thereby assuring a thorough review of all proposed LNG facilities.

The Department is providing comments on the DEIR/DEIS as both a trustee and responsible agency. As trustee for the State's fish and wildlife resources, the Department has jurisdiction over the conservation, protection, and management of fish, wildlife, native plants, and habitat necessary for biologically sustainable populations of those species. The Department administers the California Endangered Species Act (CESA), the Native Plant Protection Act, and other provisions of the California Fish and Game Code that afford protection to the State's fish and wildlife trust resources (CEQA Guidelines Section 15386). The Department may also act as a responsible agency for a project affecting biological resources, where the Department will exercise its discretion after the lead agency, to approve or carry out a proposed project or some facet thereof (CEQA Guidelines 15381).

In addition, under California Government Code Section 8670, the Department's Office of Spill Prevention and Response (OSPR) enforces regulations requiring vessels to have Oil Spill Contingency Plans and Certificates of Financial Responsibility. The regulations also require that vessels transferring or lightering oil or oil derivatives be subject to inspection or monitoring during the transfer. All vessels, over 300 gross tons, calling on California must comply with specific requirements to have oil spill response contractors, marine salvage, firefighting, emergency towing and lightering services under contract prior to entering state waters.

In these capacities, the Department provides the following comments on the Long Beach LNG Project DEIS/EIR:

## **Comments**

Overall, the Department believes the DEIR/DEIS provides a comprehensive portrayal of impacts to fish and wildlife resources and habitats associated with the preferred project and alternatives.

## **Environmental resources**

The DEIS/DEIR states that the Federal and state-listed threatened or endangered bird species that could be expected to occur intermittently within and near the project area include the California brown pelican, the California least tern, and the American peregrine falcon. These three species are also designated as Fully Protected Birds under Section 3511 of the California Fish and Game Code. This designation prohibits take or possession of these species at any time (i.e., no take authorizations from the State are available), thus, it is imperative that impacts to these species be avoided.

## **Facility recommendations**

The facility shall comply with California State Marine Facilities Contingency Plan and Certificate of Financial Responsibility Regulations (California Code of Regulations (CCR) Title 14, Sections 815-820 and Sections 791-797). These regulations also include the pipelines from the facility used to transport Natural Gas Liquids.

The Department recommends that the facility be required to conduct a formal risk and hazard analysis of the entire LNG operation. The facility should also be required to develop a contingency plan to address risks identified by the analysis and implement corrective actions and preventative measures for risks identified.

The Department further recommends that the lead agencies require the facility to create waste reception facilities for all waste streams generated by vessels using the facility. These facilities should address sewage, gray water, and bilge water disposal as well as solid waste and hazardous waste disposal facilities and practices. The facility should plan ahead for cold ironing of vessels calling on the facility. Finally, the facility should build power stations to supply vessels with the shore power necessary to address air quality requirements.

The facility should also be required to provide automatic mooring line tensioning devices to prevent over or under tension of mooring lines. These systems should be supplied with tension alarms, recording computers, and remote control emergency mooring line release devices.

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### **LNG Vessels**

All vessels must comply with California State Vessel Contingency Plan and Certificate of Financial Responsibility Regulations (CCR Title 14, Sections 815-820 and Sections 791-797).

To eliminate the discharge of nonindigenous species into the waters of the state or into waters that may impact the waters of the state, the Department recommends the following:

- That the operation of LNG ships entering California waters shall be consistent with California's Marine Invasive Species Act;
- That all LNG ships comply with Ballast Water Regulations for Vessels Arriving at California Ports or Places after Departing from Ports or Places within the Pacific Coast Region (CCR Title 2, Division 3, Chapter 1, Article 4.6), which become effective March 22, 2006.

We thank you for the opportunity to provide these comments. If you have any questions or need additional information, please contact the following personnel. For questions on terrestrial environmental concerns please contact Mr. Joseph Vincenty, Staff Environmental Scientist, Habitat Conservation Planning Branch, Sacramento, at telephone (916) 651-8710. For questions on marine environmental concerns please contact Ms. Marilyn Fluharty, Environmental Scientist, Marine Region, at telephone (858) 467-4231. To discuss project construction, vessel navigation and pollution prevention issues please contact Mr. Jack Geck, Supervisor, Marine Safety Unit, Office of Spill Prevention and Response, at (916) 323-4664.

Sincerely,

Kevin Hunting, Chief  
Habitat Conservation Planning Branch

cc: State Clearinghouse, Sacramento (original sent to lead agency)  
Joseph Vincenty, HCPB, Sacramento  
Marilyn Fluharty, MR, San Diego  
Jack Geck, OSPR, Sacramento